(c) the average market price of steel;

(d) what is the percentage of profit therein; and

(e) the steps taken to reduce the prices of steel ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) to (e) After the decontrol of steel in January 1992, the demand, production and prices of steel are driven by market forces. The cost of production of steel primarily depends upon prices of inputs such as iron ore, coal, steel scrap and energy, cost of freight and labour Customs/Excise Duty on inputs and raw materials and financial charges. The cost of these inputs factors keeps varying from time to time according to the inter-play of market forces. The cost of production also varies from item to item and depends on the specification thickness, grade etc. of the steel items required to be produced. As such an average cost of steel production cannot be arrived at. Moreover the Government has no role to play in either fixing the prices of steel or in the profit margin. The Government's role is limited to levying of taxes on steel and as per budget 2000-01, the Central value added tax has been proposed to be fixed @ 16% and the peak rate of custom duty has been proposed to be levied @ 35%.

Collaboration in Steel Sector on **Production Project**

†4515. SHRI DILIP SINGH JUDEV : Will the Minister of STEEL be pleased to state :

(a) whether any discussion was held recently regarding foreign collaboration in the steel sector ;

(b) if so, the details thereof, together with the country-wise results thereof;

(c) the names of the foreign companies signing the agreements regarding collaboration in the steel sector, togetherwith the effect thereof on production, projectwise; and

(d) the progress made, so far, in this regard ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY) : (a) to (d) India has signed inter-governmental cooperation

† Original notice of the question was received in Hindi.

agreements/MOUs with Russia, China and Iran in steel sector. These agreements inter-alia include the following issues :

(i) Support & encourage steel enterprises and companies in the steel sector to participate in mutual trade & cooperation.

(ii) Promote exports of raw materials for steel making and finished steel from India.

(iii) Promote the exchange and transfer of improved iron and steel making technologies.

(iv) Exchange information & literature to apprise each other of the developments in the iron & steel industry in both countries.

Supply of forged locomotive wheels by DSP

4516. SHRI SHIBU SOREN : Will the Minister of STEEL be pleased to state :

(a) whether it is a fact that SAIL's durgapur unit has obtained an order from Indian Railways for the supply of forged locomotive wheels;

(b) if so, the details of the order;

(c) whether it is also a fact that the Wheels Axle unit of Durgapur Steel plant was upgraded last year for Rs. 142 crore out of its Rs. 4,800 crore technical upgradation project; and

(d) the details of the technical upgradation proposed/made in other subsidiaries of SAIL ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY) : (a) and (b) Yes, Sir. locomotive wheels are supplied to Indian Railways as per quarterly allocation, made by Railway Board which are treated as firm orders.

The quarter-wise allocation *vis-a-vis* supplies during 1999-2000 are as follows :—

Period	Allocations (Nos)	Supply (Nos)
Quarter III (Oct-Dec'99)	3200	3190
Quarter IV (Jan-March'2000)	6220	6046.